

Gamesa Technology Corporation

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April 15, 2013

The Honorable Kevin Brady
301 Cannon House Office Building
Washington, DC 20515

The Honorable Mike Thompson
231 Cannon House Office Building
Washington, DC 20515

Dear Congressmen Brady and Thompson:

We commend you for taking a comprehensive look at improving our nation's tax code. As the first foreign wind turbine manufacturer to set up full production facilities in the U.S. in 2006, we want to stress the importance of the Production Tax Credit. This performance-based program has been very successful in creating an industry that did not exist 10 short years ago in the U.S.

Since Gamesa's arrival on U.S. shores, we have invested about \$200 million dollars in plants, machinery, and facilities. The PTC was a critical factor in our ability to hire over 1,000 workers throughout our various locations across the U.S. We brought new technology with us that did not exist in the U.S. We sent unskilled workers to our training centers in Europe and returned skilled workers. We exported over \$250M in equipment from our manufacturing plants in Pennsylvania over the last few years, contributing to our country's positive Balance of Trade. We were the first, but others followed our approach. Together, we helped create an industry comprising over 450 manufacturing facilities, employing about 80,000 workers, and today, we are developing homegrown technology here in the U.S by working with the research facilities such as the National Renewable Energy Lab (NREL). All this is in jeopardy.

Certainty and predictability in the tax code will allow us to continue to make investments that will drive down the cost of wind energy and expand US wind manufacturing. However, policy uncertainty has taken its toll at Gamesa and last year, we were forced to postpone the introduction of new manufacturing processes at our blades factory in PA. The new technology would have simplified the manufacturing process, allowed us to use more cost effective material, and would have enabled us to continue to drive down the overall cost of our wind turbines so we can compete in the marketplace against other fuels. As you look at ways to make the tax code work better for American businesses, we urge you to extend the PTC so that my company and others can make business decisions for the next several years.

At the same time, we urge the Committee to examine all energy incentives in the tax code, so that ultimately, each technology can compete on its own merits.

Thank you for hearing our concerns.

Sincerely,

David Flitterman
Chairman
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